Govt. Regn. 20,010—19-11-40.

Development (1944) Department.

MS SERIES Passed

G.O. No. 3183

Dated 19 7 44

[Despatch Abstract.]

Industries — Sericulture — Disposal of Sub-standard Silk in Silk Filatures at Kollegal — Orders passed

C.F. 32 (a).

Industries & Commerce Department | Received ..... Registered 35939-D/44

From (Name) A. Khaleeli, Esq., I.C.S., | To

Designation Director of Industries and Commerce,

Station Madras.

The Secretary to Government, Development Department.

SECRETARY TO GOVT. ADDITIONAL UNDER
21 JUN 1944
DEVELOPMENT DEPARTMENT

Enclosures: No. 1738-D/44 dated 20th June 1944

Sir,

Subject: Government Silk Filatures, Kollegal - Disposal of raw silk not found suitable for parachute manufacture

Reference: Government Endorsement No.24487-D/44-1, dated 1-5-1944.

In their letter No.SY/TX-62(248), dated 20-4-1944 communicated to me with the Endorsement cited, the Government of India have set out the procedure for the disposal of raw silk from the Government Silk Filatures, Kollegal, which is not found suitable for the manufacture of parachute components. According to this procedure, such raw silk has to be auctioned by the General Manager in a manner to be approved by the Madras Government and the sale proceeds to be credited to the Production account of the Filature. Under sub-clause (iv) of Clause 3 of the Madras Silk Control Order, 1943, all silk produced in the notified areas by the charka establishments and filatures has to be sold to Government only and under sub-clause (v) silk so delivered has to be paid for according to quality at such rates as may be fixed by Government. Unle

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the provisions of these two sub-clauses are suitably modified it will not be possible to give effect to the decision of the Government of India. I see no grave objection to silk produced in filatures being sold in public auction by the Controller on behalf of the Government a commission of 2½ per cent being charged on the total sale value realised in respect of such silk.

2. A quantity of 1481 lbs. 4 ozs. of non-parachute quality of silk valued at about Rs.53,240/- is at present available at the Kollegal Silk Filatures, Kollegal and the Manager has asked for permission to hand it over to the Sericultural Expert for being sold at the next auction sale. I propose according permission as soon as sub-clauses (iv) and (v) of Clause 3 are amended as suggested above.

I request early orders of Government in the matter.

Director of Industries and Commerce.

Dev. Dept 3

Issue please draft

Re 19.7.44

Sub: Industries - Sericulture - Disposal of Substandard Silk produced in Government Silk Farms at Kollegal - Orders passed - regd.

Ref: From the Dist. Collr. Salem No. 4738/D/44 dt. 20.6.44

Order No. 3183 PS dt. 19.7.44.

Govt. are advised that they are not likely to undertake the Substandard Silk produced by the Govt. Silk Farms (owned by the Govt.) at Kollegal in any manner as they have not been empowered by any thing contained in clauses 3(iv) & (v) of the Madras Silk Control order, 1943. No amendment to the Madras Silk Control order is proposed in paragraph 1 of the Memorandum and therefore no necessity.

2. As regards the disposal of the substandard Silk produced in the Govt. Silk Farms at Kollegal, the Govt. consider that

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Such
~~The Silk need not, after the reasons stated in para 1,~~
be sold by auction in the Bank or in reasonable quantities
of silk acquired from the Khaddar Establishments
and Merchants may be disposed of, under the Madras
Silk Control Order, 1943. The Managers of the (B)
two filatures should endeavour to dispose of the
silk by publication (both for greater advantage
and credit in the products
accounts of the respective concerns. Expenses
incurred in connection with the conduct of auction
sales will have to be charged also to the products
accounts of the filatures. Manager

The Silk is requested to draw up and
submit to us for approval, a set of rules
relating to the auction of the surplus silk of
the two Silk Filatures by the Managers.

Vide 2 ante (5)
To the Silk
A.G. Textile

18/7/44 Copy to S.F.
for [illegible]

4435 D

D.O.No.1783-D/44. DIRECTOR OF INDUSTRIES & COMMERCE,
Chepauk, Madras, 29th July 1944.

My dear Sivasankar,

SUB: Industries - Sericulture - Disposal of sub-standard silk available at the filatures -

Will you please refer to G.O.No.Ms.3183, Development, dated 19-7-1944 on the above subject?

2. When I addressed Government in the matter of the disposal of the sub-standard silk available at the two silk filatures at Kollegal through the organisation set up for sale by public auction of charka reeled silk on a commission of 2½% of the total value of silk realised, I had in mind the advantages resulting to the trade, the filatures and the Government. This organisation has, as you are aware, been in existence for some time, and has already sold considerable quantities of charka reeled silk. It has become fairly well known to all those interested in the silk trade. I have little doubt that centralising of activ[illegible]ncerning the disposal of silk will, be[illegible]inging in good revenue to Governme[illegible]inate avoidable inconvenience to the trade, [illegible] is bound to occur if each filature is allowed to conduct its auctions when it suits its convenience. Nor is there a certainty of good response from the trade, if small quantities of silk are offered for sale by different organisations from time to time for, bidders from far off places can hardly be expected to visit Kollegal on the off chance of buying a limited quantity, if any at all, of silk. Further, the filatures will have to advertise their sales of silk separately and thus incur avoidable expenditure.

pto.

6/22

2. For these reasons, I suggest that Government revise their orders and permit me to authorise the Sericultural Expert, Kollegal, to sell sub-standard silk charging a commission of 2½% on the total sale value of silk realised in respect of such silk.

Yours sincerely,

T. Sivasankar, Esq., I.C.S.,
Secretary to the Government of Madras,
Development Department,
Fort St. George.

Pl. issue

3978/44 40/3018

Memo. no. 44357 D/44-2 d 30-8-44

Sub: Industries – Sericulture – Silk Filatures at Kollegal – Sub standard silk – Disposal of – ~~Collecting Services~~ Revised orders ~~Central organisation~~.

pp 3-4 of (F)

Ref: (i) G.O. no. 3183 (MS) Dev. d 19-7-44

pp 1-2 of

(ii) From the D.I. & C. no. 17183 D/44 d 29-7-44.

In partial modifications of the orders issued in para 2 of the G.O. cited, the Govt. direct that the auction of sub-standard silk in the two silk Filatures at Kollegal may be Conducted, ~~as in the case of the~~ by the agency which auctions silk acquired by the Govt. under the Madras Silk Control Order 1943. The agency for the sale should not be paid any commission, but it may be allowed to charge

pp 3-4 of (F)

'A' on p 2 of

✓'X' on p 2 of (A)

× (A)

orders on p 2 of

b/

the Silk Filatures with the actual expenses incurred in holding the auction, which will be charged to the production account of the Factories. Separate accounts should be maintained by the Agency in respect of these sales.

21/8/44 21/8/44

22/8/44

27/8/44

From No. 1 Sec. Pt. 3

A/Secy. to Govt.

22/8

To the D. of S.

" A.G. through the Govt. of S.F. one spare Copy

Industries and Commerce Department.

From
A.Khaleeli Esq., I.C.S.,
Director of Industries and
Commerce,
Chepauk, M a d r a s.

To
The Secretary to Government,
Development Department,
M a d r a s.

No.1783-D/44, dated 9th November 1944.

Sir,

Sub: Industries - Sericulture - Silk Filatures, Kollegal - Sub-standard silk - disposal of.

Ref: Government Memorandum No.44367-D/44-2, dated Dev., dated 30-8-1944 and my letter No.1525-D/44, dated 17-10-1944.

A total quantity of 3508-lbs. 10 ozs. of substandard and Pupion silk from the Kollegal Silk Filature (1958-lbs.12-ozs. (sub-standard sil and Government Silk Filature (1549-lbs.-14 ozs.-Dupion silk) was sold by auction on 19-9-1944 and a sum of Rs.1,45,890-12-0 was realised. An expenditure of Rs.200-6-0 was incurred in this connection.

for Director of Industries and Commerce.

MLM/30.11.

PTO

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The Deptt

To Addl-2-S

Submitted for perusal May be seen to the connected papers at (A)

4.12.44

Dlo. Dep

Sub: Silk Industry - Disposal of export quality of Silk in Silk Filatures, Kollegal - Proposals of DISE.

Cm 35939/44 - Ref: from the DISE, No. 1738/44 dt. 2.6.44
1 p + 2 cys

To Addl HS

Please see the letter from the DI at pp 1-2 cf. ante.

2. The proposal of the DISE is that the Madras Silk Control Order 1943 should be amended suitably to enable Substandard Silk produced in the duo Silk Filatures being disposed of by auction. Draft amendments have not been submitted by him. Ascertain if practicable the order should be modified. Perhaps the DI concerned may be asked to submit draft amendments for orders.

3. Incidentally it is mentioned that (a) the Silk Filatures can collegially are [illegible] undertaking. The Silk Control Order 19 (B) and the D.O. Rules can be held cl 3(iv) on p 2 of (B) to apply. Unauthorised establishment of Silk Filatures only [illegible] undertaking.

4. The [illegible] supplied by the Department of Industries and Commerce, Govt of India, vide their D.O. letter No. [illegible] dt. [illegible] addressed to the Director of Industries & Commerce, Madras, vide (A) ante. Vocational Training Scheme. If this is accepted [illegible] this disposal, the Silk Industry and Govt Silk Filatures may not be on the lines of the (D) approved by the Govt under the Madras Silk Control Order, 1943 from private agencies mentioned there. The Managers of the Steam Cocoons, with the previous consent of the DISE dispose of the Silk to the best advantage by auction and credit the Sale proceeds to the factors which are commercial concern. There would however be no objection to

Note on the Control Order might be issued from this Dept. [illegible]

agency of the Silk controller be utilised for
securing the silk of the factories, if need be:
No amendment to the Silk Control order, 1943,
as proposed by the Board will be called for
if the position of the factories & the Govt. as regards
at Mysore is accepted for orders

Legal may perhaps see re: Mysore and the
demands of the invitees in Mysore

(A.L.S.) 28.6.44

ASSISTANT SECRETARY
3 - JUL 1944
LEGAL DEPARTMENT.

4623

Dem. H.O. no. 3593/9/44
3.7.44

re ... clause (iv) ... clause (v) ... Silk Control ... clause (v) ... Silk ... clause (v) ... Silk ... clause (v) ... Silk

suggested as it is in accordance with the procedure laid down by the Government of India in their letter on p.1 (S)- viz., the sub-standard silk should be sold by auction and the sale proceeds credited to the production account of the Filatures. The Government of India's letter does not mention any percentage commission on such sales. If the managers of the factories are to dispose of silk no commission is necessary. Expenses, if any, incurred in connection with the holding of auction sales will also have to be charged to the production account of the Filatures.

(Sale by auction of the raw silk ~~may bring in more money than the real value of silk according to quality and the Government rates.~~ may be effected to * This was the case in the sale by auction of charka reeled silk and silk taken over from merchants in accordance with the Control Order. The production account of the Filatures will consequently be credited with the profits also, which will in turn operate to reduce the ~~cost of production of silk to be supplied to~~ actual Cost price at which standard quality silk will be Sold to the Government of India. The factories are no doubt entitled to get credit for the entire sale proceeds of silk produced there).

Fin. no. M) 3783 Accts B-1 dt. 13.7.44.

To Addl. 2.S.

41019 D/44 14.7.44

(Note for pp 1-3 above) A Draft order is submitted for approval

[Issued as G.O. no. 3183 (MS) Dev. d 19.7.44]

XT

Dev. Dept

Sub: Industries & Services - Govt. Silk Farms at Kollegal - Sub-standard silk - Disposing - Public Undertakings Agency - Constitution of

Ref: Note/Ind. Dept. Dy. No. 1783 dated 28.1.44

Jt. Addl. Secy.

Please see the order issued in Govt. Order No. 3183 Dev. dated 19.7.44 and the D.O. from the Dir. at pp. 1-2 of the file. The reasons stated at M on p. 1 of the file is of the opinion that the Agency employed for the sale of silk acquired by the Govt. under the Madras Silk Control Order, 1943 should be utilised for the disposal of the sub-standard silk available in the two Govt. Farms at Kollegal. The organisation will be entitled to a commission of 2½% on the total sale value of silk realised in respect of their transactions (vide p. 2 of F).

2. The recommendation of the Dir. at para 2 p. 3-4 of F accepted by the Govt. previously as per Govt. Order No. [illegible] dated [illegible] (F).

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transactions of the two Silk Dilalers, which are commercial concerns, are best kept distinct from the transactions of Sale of Silk made under the Madras Silk Control Order, 1943. It may perhaps be possible for the Dilalers to conduct the sale of their Reclaimed Silk Waste/Fabric on incidental charges subject to the limitation of 2½% commission on the Reserve price which will be charged by the Central Agency

ASSISTANT SECRETARY
10 AUG 1944
FINANCE DEPARTMENT

41813 Aug

Dealt with by the Department will appear in the Proceedings of the Board maintaining Biological Records, by separate accounts kept of the Silk belonging to the Dilalers, the Central Organisation acting merely as an Agency of the Dilalers for the sale of their Reclaimed Silk. Orders thereon the proposals of the Board in the Order in para 2 of this G.O. at (F) will be issued separately. As, the Terms of Sale may also be issued then.

pp1-2 ✓

pp3-4 ✓

Sd/- Illegible
for Secretary to Government

Sd/- Illegible
for Secretary to Government

M/
5844-

This deptt may also agree to the proposal at and the arrangement mentioned at A in p. 1 above. The change is that instead of the Managers of the Tilaknes Conducting the auction, the Central organization* under the Sericultural Expert will hold the auction. This deptt may agree that the organization need not be paid the fixed 2½% commission but may be paid the actual expenses incurred in holding the auction which are to be charged to the proper accounts of the factories

*See P on pp 3-4 ante

(B)

12.8.44

See A on p 3 N. F. of (F)

ADDITIONAL CHIEF SECRETARY TO THE GOVERNMENT OF MADRAS

10 AUG 1944

SERICULTURAL DEPARTMENT

17748 D/44

11.8.44

12/8/44

C/Mr. Rele.

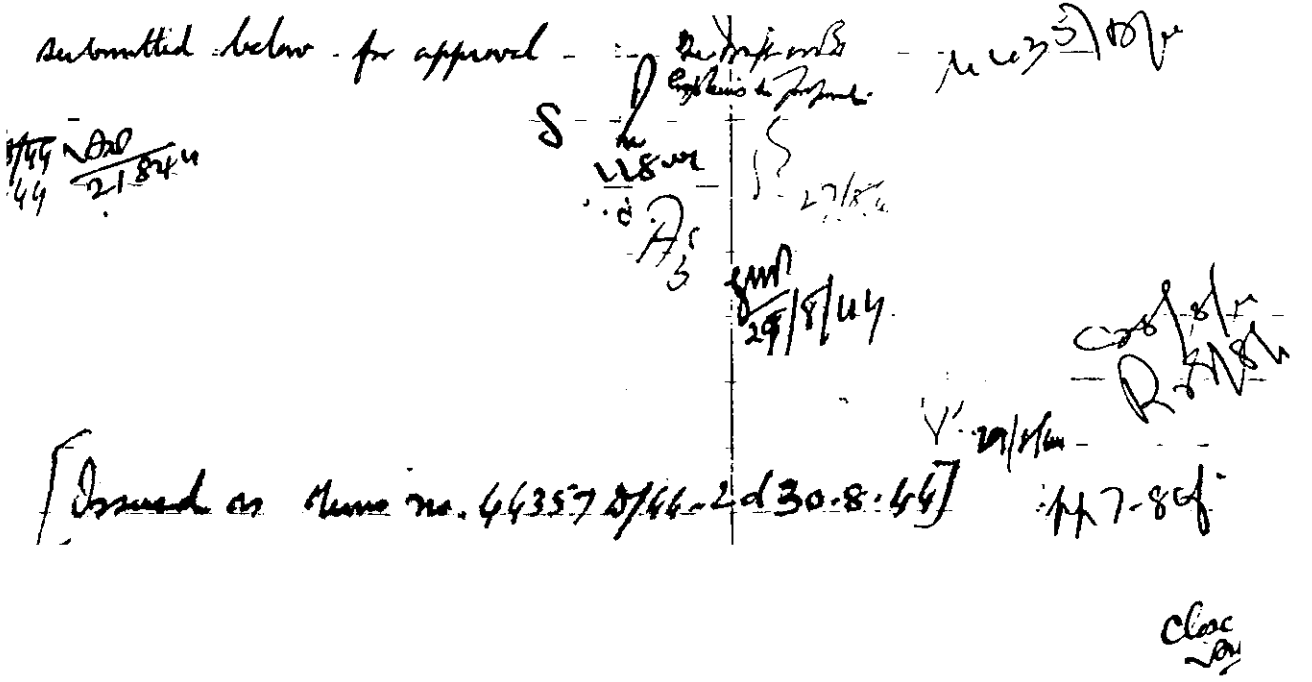
Dev.

To Addl. 2 S.

min 4 to 13 Accts 1/ 14-8-44

(Note from pp 1-3 above)

With reference to Secy's order on p 2 above, a draft memo to


submitted below for approval
[Issued on Memo no. 64357 D/46-2 d 30.8.44]